

**SHERIFF OF BRISTOL COUNTY
AGENCY FUNDS
FISCAL YEAR ENDED JUNE 30, 2000
JUNE 2002**

**DEPARTMENT OF ADMINISTRATION
BUREAU OF AUDITS
ONE CAPITOL HILL
PROVIDENCE, RI 02908-5889**



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

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SHERIFF OF BRISTOL COUNTY
AGENCY FUNDS
FISCAL YEAR ENDED JUNE 30, 2000

EXECUTIVE SUMMARY

Our prior audit issued September 2000, contained four recommendations. The follow-up review disclosed that two of the recommendations were not acted upon, one was partially implemented and one is no longer applicable.

Our audit, for the fiscal year ended June 30, 2000 identified the following areas requiring management's attention:

- The present policies and procedures manual should be updated and distributed to employees.
- A formal accounting system should be established to integrate the general ledger with the books of original entry (i.e. cash receipts and disbursements journals).
- An accounts receivable control account should be established to facilitate both the present system and the reconciliation of subsidiary account balances.
- Monthly reconciliations should be performed between the accounts receivable subsidiary ledger and the control account
- The gross amount of all fees collected should be remitted to the General Treasurer's Office and reimbursement for bank charges should be made through a request submitted to the Office of Accounts and Control.

SHERIFF OF BRISTOL COUNTY
AGENCY FUNDS
FISCAL YEAR ENDED JUNE 30, 2000

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June 26, 2002


Mr. James P. DeCastro
High Sheriff of Bristol County
P.O. Box 657
Bristol, R.I. 02809

Dear Sheriff DeCastro:

We have completed an audit of the Sheriff of Bristol County for the fiscal year ended June 30, 2000 in accordance with Sections 35-7-3 and 35-7-4 of the General Laws.

The findings and recommendations included herein have been discussed with management, and we have considered their comments in the preparation of our report. Section 35-7-4 of the General Laws requires the director of the department audited to respond in writing within 60 days to all recommendations made by the Bureau of Audits. A copy of your reply should be sent directly to Robert L. Carl, Jr., Ph.D., Director, Department of Administration and to the Honorable Gordon D. Fox, Chairman of the House Finance Committee and to the Honorable Frank T. Caprio, Chairman of the Senate Finance Committee.

Sincerely,


Stephen M. Cooper, CFE, CGFM
Chief, Bureau of Audits

SMC:pp

SHERIFF OF BRISTOL COUNTY
AGENCY FUNDS
FISCAL YEAR ENDED JUNE 30, 2000

INTRODUCTION

Audit Scope and Objectives

We conducted an audit of the agency funds for the Bristol County Sheriff's Office for the fiscal year ended June 30, 2000, and we reviewed the financial practices and procedures in place at June 30, 2000.

Our audit extended to the following fund:

- Service Fee Fund

The purpose of our audit was to determine whether:

- The Bristol County Sheriff's Office complied with applicable state laws and established rules and regulations.
- The accounting systems and procedures were adequate, efficient, and effective.
- The operating procedures were conducted in an economical and efficient manner.
- Cash transactions were properly accounted for within a state authorized agency fund.

Background

The state constitution provides that the Governor appoint a sheriff for each county. The sheriffs or their deputies, as attaches of the courts, attend all sessions of the supreme, superior, family, and district court. The sheriffs also attend the General Assembly when it is in session. Additionally, they execute all civil writs of process, summon witnesses to appear in court; transport prisoners and defendants to court and to state institutions; collect fees for services performed as officers of the courts, and perform all other duties assigned to them by law.

All sheriffs shall hold office for a period of ten years. Deputy sheriffs shall be appointed and/or promoted with the approval of the Governor. Each sheriff operates independently within their jurisdiction and reports directly to the Governor.



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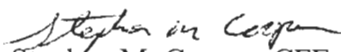
Mr. James P. DeCastro
High Sheriff of Bristol County
State of Rhode Island

We have audited the accompanying financial statements of the agency funds of the Sheriff of Bristol County as of and for the year ended June 30, 2000, as listed in the Table of Contents. These financial statements are the responsibility of the Sheriff of Bristol County. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with *Standards for the Professional Practice of Internal Auditing*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the agency funds of the Sheriff of Bristol County at June 30, 2000, and the cash receipts and disbursements for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The other financial information included in Schedule 1 of this report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


Stephen M. Cooper, CFE, CGFM
Chief, Bureau of Audits
August 29, 2001

SMC:pp

SHERIFF OF BRISTOL COUNTY
AGENCY FUNDS
BALANCE SHEET
June 30, 2000

<u>ASSETS</u>	<u>SERVICE FEE FUND</u>
Cash	\$ 551.89
Accounts Receivable	945.00
Due from General Fund	<u>48.11</u>
Total Assets	<u>\$ 1,545.00</u>
<u>LIABILITIES</u>	
Advance from General Fund	\$ 600.00
Deferred Liabilities	<u>945.00</u>
Total Liabilities	<u>\$ 1,545.00</u>

See accompanying notes to financial statements.

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SHERIFF OF BRISTOL COUNTY
 AGENCY FUNDS
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 FISCAL YEAR ENDED JUNE 30, 2000

Receipts:	
Service Fees	\$ 14,765.00
Refunds	1,110.00
Collection Fees	869.23
Witness	22.50
Miscellaneous	<u>20.00</u>
Total Cash Receipts	<u>16,786.73</u>
Disbursements:	
Transfers to General Fund	14,745.00
Refunds	1,137.50
Collection Fees	<u>924.23</u>
Total Cash Disbursements	<u>16,806.73</u>
Excess of Cash Receipts Over Cash Disbursements	(20.00)
Cash Balance, July 1	<u>571.89</u>
Cash Balance, June 30	\$ <u><u>551.89</u></u>

See accompanying notes to financial statements.

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SHERIFF OF BRISTOL COUNTY
AGENCY FUNDS
FISCAL YEAR ENDED JUNE 30, 2000

NOTES TO FINANCIAL STATEMENTS

Note 1 – Significant Accounting Policies

Fund Accounting

The Sheriff of Bristol County utilizes the principles of fund accounting. Under these principles, each fund is considered to be a separate accounting entity. The Bristol County Sheriff maintains only one agency fund to account for service fees. A brief description of these follows:

Agency Fund – is used to account for assets held by the sheriff as an agent for individuals, private organizations, the general fund and/or other funds. The only agency fund maintained is as follows:

Service Fee Fund – is used to account for monies received for the execution of writs, services performed as an officer of the court, and other duties assigned by law.

Basis of Accounting

The accompanying financial statements are presented on the modified accrual basis of accounting as prescribed by generally accepted accounting principles. Agency Funds are custodial in nature, accordingly; at any given point in time, total assets are equally offset by related liabilities including amounts due to the parties for whom the assets are being held.

Note 2 – Accounts Receivable

The accounts receivable balance is comprised of various fees due from attorneys and others. The present accounting system does not utilize or generate an accounts receivable control account; consequently, changes have not been allocated between balance sheet dates.

Note 3 – Advance From General Fund

The balance represents a non-current liability established to provide the necessary working capital to operate the Service Fee Fund.

SHERIFF OF BRISTOL COUNTY
SERVICE FEES FUND
COMPARATIVE STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FISCAL YEARS ENDED JUNE 30, 2000, 1999 AND 1998

	<u>2000</u>	<u>1999</u>	<u>1998</u>
Receipts:			
Service Fees	\$ 14,765.00	15,001.70	11,976.08
Moving Fees	-	60.00	252.00
Refunds	1,110.00	992.14	4,421.69
Collection Fees	869.23	3,429.58	694.59
Witness	22.50	30.00	36.25
Miscellaneous	<u>20.00</u>	<u>-</u>	<u>22.40</u>
Total Cash Receipts	<u>16,786.73</u>	<u>19,513.42</u>	<u>17,403.01</u>
Disbursements:			
Transfers to General Fund	14,745.00	14,909.45	12,032.88
Refunds	1,137.50	878.30	4,769.00
Collection Fees	924.23	3,708.42	601.59
Bank Charges	-	7.25	-
Miscellaneous	<u>-</u>	<u>10.00</u>	<u>11.40</u>
Total Cash Disbursements	<u>16,806.73</u>	<u>19,513.42</u>	<u>17,414.87</u>
Excess (Deficiency) of Cash Receipts Over Cash Disbursements	(20.00)	-	(11.86)
Cash Balance, July 1	<u>571.89</u>	<u>571.89</u>	<u>583.75</u>
Cash Balance, June 30	<u>\$ 551.89</u>	<u>571.89</u>	<u>571.89</u>

SHERIFF OF BRISTOL COUNTY
AGENCY FUNDS
FISCAL YEAR ENDED JUNE 30, 2000

FINDINGS AND RECOMMENDATIONS

Status of Prior Year Audit Recommendations

The following audit recommendations were identified in our report for the fiscal year ended June 30, 1997, issued August 1999.

Recommendations

1. Establish an accounts receivable control account for the Service Fee Fund.

Not implemented (See recommendation 3.)

2. Reconcile the subsidiary accounts detail to the control account referred to above.

Not implemented (See recommendation 4.)

3. Update the Operating Manual to reflect current reporting requirements and writ service requirements for Deputies.

Partially implemented (See recommendation 1.)

SHERIFF OF BRISTOL COUNTY
AGENCY FUNDS
FISCAL YEAR ENDED JUNE 30, 2000

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

Policies and Procedures

The Bristol County Sheriff's Office has an operations manual in place. However, it needs to be updated to reflect current reporting requirements and writ service requirements for deputies. This would provide management and employees with a systematic approach to the implementation of procedures and work routines. A properly maintained manual should convey management's philosophies, improve communications, improve productivity, reduce training time, and strengthen operations.

Recommendation

1. Update the existing policies and procedures manual and distribute it to employees.

Accounting System

The Sheriff's Office does not maintain a formal accounting system for its service fee fund. Although cash receipts and cash disbursements journals are in use, there is no general ledger. Accordingly, accountability for transactions processed is performed primarily through use of a checking account, while control over cash for each fund is attempted through monthly bank reconciliations.

Recommendation

2. Establish a formal double entry accounting system that integrates a general ledger with the books of original entry (i.e. cash receipts and disbursements journal) to enhance accountability.

Accounts Receivable

The Sheriff's Office maintains an accounts receivable ledger but does not maintain a formal control account to monitor the balance for receivables. The absence of this basic control mechanism diminishes the effectiveness of the present system. The establishment of a control account for receivables will enhance the existing record keeping and will facilitate the reconciliation of subsidiary balances to a control balance.

Recommendations

3. Establish an accounts receivable control account to facilitate both the present system and the reconciliation of subsidiary account balances.
4. Perform monthly reconciliations between the subsidiary ledger and the control account and resolve differences that are discovered.

Remittance of Fees Collected

As part of our audit we reviewed the fees collected and remitted to the General Treasurer by the Sheriff's Office. We noted that bank charges incurred (e.g. service charges, check printing fees, etc.) are not submitted to the Office of Accounts and Control for reimbursement. Rather, these charges are netted against gross fees collected and the resulting net amount is transferred to the General Treasurer's Office. To properly account for revenues, gross amounts collected should be remitted intact to the General Treasurer and a request for reimbursement should be made to the Office of Accounts and Control for any bank charges incurred.

Recommendation

5. The gross amount of all fees collected should be remitted intact to the General Treasurer's Office and a request for reimbursement should be made to the Office of Accounts and Control for all bank charges incurred.